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NUEXCO REPORT 203 FIGURES OF THE MONTH (June 30, 1985)	This Month (Report 203)	Last Month (Report 202)	12 Months Ago (Report 191)
Exchange Value[1]	15.00	15.00	17.50
Transaction Value[1]	14.60	14.45	16.50
UF_6 Value[2]	42.50	42.50	—
Loan Use Charge Rate[3]	5%	5%	6%
Conversion Value[4]	1.60	1.50	0.00
Near-Term Uranium Supply[5]	3.5	2.7	4.3
Near-Term Uranium Demand[6]	1.3	0.94	1.9
Near-Term Supply-Demand Ratio	2.7	2.8	2.2
Recent Uranium Sales:			
Number of Transactions[7]	8	8	4
Quantity of Material[8]	1.5	3.5	5.8
Nuexco SWU Values:[9]			
DOE origin, certifiable as excess, 0.3 tails assay; delivery before the end of FY86	88	90	—
Other SWUs (non-DOE or non-certifiable) delivery by the end of calendar year 1986	83	85	—
USDOE SWU Prices:			
USEC	135.00	135.00	135.00
AFC	153.00[10]	153.00[10]	153.00[10]
Requirements	157.00[10]	157.00[10]	157.00[10]
Market Value of Enriched UF_6[11, 12]:			
2.5 w/o U_{235}	452	456	513
3.0 w/o U_{235}	582	587	660
3.5 w/o U_{235}	714	721	810
4.0 w/o U_{235}	849	857	962

[1]US $ per pound U_3O_8 equivalent.
[2]US $ per kilogram U as UF_6.
[3]Per annum.
[4]US $ per pound U as UF_6.
[5]Active inquiries to sell, for delivery within 12 months after contract signing (millions of pounds U_3O_8).
[6]Active inquiries to purchase, for delivery within 12 months after contract signing (millions of pounds U_3O_8).
[7]Uranium sales only; does not include loans, conversion, or SWU transactions.
[8]Millions of pounds U_3O_8, equivalent.
[9]US $ per SWU.
[10]Effective 10/1/84.
[11]Calculated using the Nuexco Exchange Value, Conversion Value, and 0.30 percent tails assay. From 3/30/84 through 4/29/85, calculations used the Nuexco SWU Value for DOE origin and FY85 delivery. As of 4/30/85, calculations use the Nuexco SWU Value for DOE origin and delivery by the end of FY86.
[12]US $ per KgU as UF_6, rounded to the nearest $.

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EXECUTIVE SUMMARY
REPORT 203
(All data as of June 30, 1985)

Exchange Value
$15.00, unchanged

The **Exchange Value** is **$15.00** per pound U_3O_8, unchanged since last month. Eight recent natural uranium sales are reported, involving approximately 1.5 million pounds U_3O_8 equivalent. All involved delivery prior to 1986, and seven met the conditions for inclusion in the Transaction Value.

UF_6 Value
$42.50, unchanged

The **UF_6 Value** is **$42.50** per kilogram U as UF_6, unchanged since last month. Three transactions reported this month involved natural UF_6.

Supply-Demand Ratio
fell to 2.7:1

Active spot and near-term **uranium supply** amounts to **3.5 million** pounds U_3O_8 equivalent, up 865 thousand pounds since last month. Active spot and near-term **uranium demand** totals **1.3 million** pounds, up 385 thousand pounds. The spot and near-term **supply-demand ratio** fell to **2.7:1.**

Transaction Value
rose to $14.60

The **Transaction Value** is **$14.60** per pound U_3O_8, up $0.15 since last month. The calculation includes 17 transactions involving a total of 4.6 million pounds U_3O_8 and equivalent UF_6, and covers a period of 3 months.

Loan Use Charge Rate
unchanged at 5%

The **Loan Use Charge Rate** is **5 percent** per annum, unchanged.

Conversion Value
rose to $1.60

The **Conversion Value** is **$1.60** per pound U as UF_6, up $0.10 since last month. Active secondary market supply for conversion services for delivery within three years totals 1.7 million pounds U as UF_6. Active demand totals 365 thousand pounds U as UF_6.

SWU Values:
$88 for DOE-origin
for delivery by
the end of FY86
$83 for non-DOE origin
for delivery by the
end of calendar year 1986

The **SWU Value** for DOE origin at .3 tails and certifiable as excess, is **$88** per SWU for delivery by the end of FY86. The SWU Value for other SWUs (non-DOE or non-certifiable) is **$83** per SWU for delivery by the end of calendar year 1986. One secondary market SWU transaction is reported, involving 100 to 300 thousand SWUs.

Focus

Brazil's nuclear power program is proceeding at a slow pace, and ambitious plans for domestic fuel cycle facilities and uranium production operations are restrained by funding problems.

Annual Update

Within the next decade, Japanese utilities expect to add over 20,000 MWe to their considerable nuclear power program, and their past successes in nuclear power suggest that the goal will be attained. In addition, Japan has achieved significant progress in their commercial enrichment plans, as well as in other areas of the fuel cycle.

Australia

The joint venture partners in the Olympic Dam (Roxby Downs) uranium project have announced the viability of the project, as Nuexco expected. Their marketing success will depend largely on initial production costs.

United States

Several DOE decisions made in early June, including the decision to proceed with AVLIS enrichment technology, represent some of the first concrete measures taken by DOE to remedy its financial difficulties and the shrinking market share of its commercial enrichment program.

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